

[State of Iowa lawsuit filed Monday, Aug. 24, 2009]

IN THE IOWA DISTRICT COURT FOR LEE COUNTY AT KEOKUK

STATE OF IOWA, ex rel., IOWA  
DEPARTMENT OF NATURAL  
RESOURCES (99AG23542),

Plaintiff,

vs.

MATRIX METALS LLC, d/b/a KEOKUK  
STEEL CASTINGS CO., f/k/a KEOKUK  
STEEL CASTINGS CO., INC.,

Defendant.

LAW NO. CVEQ 005188

**PETITION AT LAW**

COMES NOW Plaintiff State of Iowa, ex rel., Iowa Department of Natural Resources (DNR)  
and for its claim against Defendant Matrix Metals LLC, d/b/a Keokuk Steel Castings Co., f/k/a  
Keokuk Steel Castings Co., Inc. (Matrix Metals) states as follows:

**Introduction**

1. The State of Iowa seeks the assessment of civil penalties and injunctive relief  
against Defendant Matrix Metals arising from a variety of air pollution control violations  
occurring at or in relation to its steel casting manufacturing facility in Keokuk, Iowa.

**Parties**

2. The State of Iowa is a sovereign state of the United States of America.
3. The Iowa Department of Natural Resources (DNR) is a duly constituted agency of  
the State of Iowa pursuant to Iowa Code section 455A.2
4. Defendant Matrix Metals is a Delaware limited liability company authorized to do  
business in the State of Iowa.

## Definitions

5. "Air contaminant" means "dust, fume, mist, smoke, other particulate matter, gas, vapor (except water vapor), odorous substance, radioactive substance, or any combination thereof." Iowa Code § 455B.131(1).
6. "Air pollution" means "presence in the outdoor atmosphere of one or more air contaminants in sufficient quantities and of such characteristics and duration as is or may reasonably tend to be injurious to human, plant, or animal life, or to property, or which unreasonably interferes with the enjoyment of life and property." Iowa Code § 455B.131(3).
7. "Emission" means "release of one or more air contaminants into the outside atmosphere." Iowa Code § 455B.131(6).
8. "Emission limitation" and "emission standard" mean "a requirement established by a state, local government, or the administrator which limits the quantity, rate or concentration of emissions of air pollutants on a continuous basis, including any requirements which limit the level of opacity, prescribe equipment, set fuel specifications or prescribe operation or maintenance procedures for a source to ensure continuous emission reduction." 567 Iowa Admin. Code 20.2.
9. "Excess emission" means "any emission which exceeds either the applicable emission standard prescribed in 567-Chapter 23 . . . or any emission limit specified in a permit or order." 567 Iowa Admin. Code 20.2.
10. "Major source" includes "any stationary source . . . of air pollutants, as defined in Section 302 of the Act [42 U.S.C. 7602(g)], that directly emits or has the potential to emit 100 tons per year (tpy) or more of any air pollutant." 567 Iowa Admin. Code 22.100.

11. "Major stationary source" means "a stationary air contaminant source which directly emits, or has the potential to emit, one hundred tons or more of an air pollutant per year including a major source of fugitive emissions of a pollutant as determined by rule by the department [DNR] or the administrator of the United States [E]nvironmental [P]rotection [A]gency [EPA]." Iowa Code § 455B.131(8).

12. "Stationary source" means "any building, structure, facility, or installation that emits or may emit any regulated air pollutant or any pollutant listed under Section 112(b) of the Act [42 U.S.C. § 7412(b)]." 567 Iowa Admin. Code 22.100.

### **Jurisdiction**

13. The DNR is the state agency with the duty to prevent, abate, or control air pollution. Iowa Code § 455B.132. The specific administrative and enforcement duties of the DNR director relating to air pollution control are contained, in part, in Iowa Code sections 455B.134(1)-(13).

14. The Iowa Environmental Protection Commission (EPC) is authorized to adopt rules for the abatement, control, and prevention of air pollution. Iowa Code § 455B.133(2). Air pollution control rules are contained in 567 Iowa Admin. Code 20-29, and 31.

15. A permit may be issued by the DNR subject to conditions specified in writing including, but not limited to, emission limits, operating conditions, fuel specifications, compliance testing, continuous monitoring, and excess emission reporting. 567 Iowa Admin. Code 22.3(3).

16. The EPC is authorized to adopt emission limitations or standards relating to maximum quantities of air contaminants that may be emitted from any air contaminant source. Iowa Code § 455B.133(4). Emission standards are contained in 567 Iowa Admin. Code 23.

17. An incident of excess emission, other than during start up, shutdown or cleaning of control equipment, is a violation. 567 Iowa Admin. Code 24.1(4).

18. If any order, permit, or rule of the DNR is being violated, the Attorney General shall, at the request of the DNR director, institute a civil action in any district court for injunctive relief to prevent any further violation of the order, permit, or rule, or for the assessment of a civil penalty as determined by the court, not to exceed ten thousand dollars (\$10,000.00) per day for each day such violation continues, or both such injunctive relief and civil penalty. Iowa Code § 455B.146.

#### Title V Operating Permit

19. Iowa Code section 455B.133(8)(a) authorizes the EPC to adopt rules consistent with Title V of the federal Clean Air Act Amendments of 1990, which require the owner or operator of an air contaminant source to obtain an operating permit prior to operation of the source. Rules implementing the Title V operation permit program are contained in 567 Iowa Admin. Code 22.100-116.

20. 567 Iowa Admin. Code 22.101(1)(b) requires any "major source" to obtain a Title V operation permit.

#### Iron and Steel Foundry Maximum Achievable Control Technology (Foundry MACT)

21. The federal Clean Air Act (CAA) requires the EPA to develop regulations that would reduce emissions of hazardous air pollutants (HAP) at industries that emit these pollutants in significant quantities. 42 U.S.C. § 7412(d). The EPA identified iron and steel foundries as a major source of HAP emissions, and promulgated the Iron and Steel Foundry Maximum Achievable Control Technology regulations (Foundry MACT) to reduce HAP emissions from

these facilities. 40 C.F.R. § 63, Subpart EEEEE. The EPC adopted these MACT requirements in 567 Iowa Admin. Code 23.1(4).

22. A facility is subject to the Foundry MACT when it is an “iron and steel foundry that is (or is part of) a major source of hazardous air pollutant (HAP) emissions. An iron and steel foundry is a major source of HAP for purposes of this subpart if it emits or has the potential to emit any single HAP at a rate of 10 tons or more per year or any combination of HAP at a rate of 25 tons or more per year or if it is located at a facility that emits or has the potential to emit any single HAP at a rate of 10 tons or more per year or any combination of HAP at a rate of 25 tons or more per year as defined in § 63.2.” 40 C.F.R. § 63.7681.

23. Facilities subject to the Foundry MACT must comply with the emission limit of 0.005 grains per dry standard cubic foot (gr/dscf) for federal particulate matter, which includes both particulate matter (PM) and particulate matter with an aerodynamic diameter of no more than 10 microns (PM<sub>10</sub>), for each electric arc metal melting furnace located in the facility. 40 C.F.R. § 63.7690(a)(1)(i).

24. Facilities subject to the Foundry MACT must comply with the scrap selection and inspection plan standards by April 22, 2005. 40 C.F.R. § 63.7683(b). This requirement provides that a facility must have a plan to minimize, to the extent possible, the amount of organics and HAP metals in the materials used by the facility. 40 C.F.R. § 63.7700(c). The scrap selection and inspection plan standards also require that the plan be submitted to the DNR for approval. 40 C.F.R. § 63.7735(b)(1).

25. Facilities subject to the Foundry MACT must also comply with each Foundry MACT emission limitation, work practice standard, and operation and maintenance standard by April 23, 2007. 40 C.F.R. § 63.7683(a). One of those operation and maintenance standards

requires that a facility record all information needed to demonstrate conformance with the site-specific monitoring plan, required by 40 C.F.R. § 63.7710(b)(4), for each bag leak detection system. 40 C.F.R. § 63.7745(a)(3).

### **Facts**

26. Matrix Metals owns and operates a steel casting manufacturing facility located at 3972 Main Street and 240 Royal Road, all within the city limits of Keokuk, Iowa, a city with a population of over 11,000 citizens.

27. The facility produces steel castings by melting steel scrap in an electric arc furnace, then pouring the molten metal into sand molds for cooling. The facility includes over twenty (20) air emission points constructed pursuant to permits issued by the DNR.

28. The facility's air emissions are controlled, in part, by a number of baghouses, each of which contains numerous specially designated bags that act as sieves and collect particulates. The bags are periodically cleared of particulates, which are collected for disposal.

### **Past Enforcement**

29. On July 19, 2004, the Lee County District Court entered a Consent Order, Judgment and Decree in an action entitled State of Iowa, ex rel., Iowa Department of Natural Resources vs. Matrix Metals LLC, d/b/a Keokuk Steel Castings Co., f/k/a Keokuk Steel Castings Co., Inc. The court assessed a Fifteen Thousand Dollar (\$15,000.00) civil penalty and imposed a permanent injunction for Matrix Metals' emission limit violations and failure to stack test various emission points at their maximum rated capacity.

### **Emission Point 9B (EP 9B)**

30. On June 8, 2006, the DNR issued Air Quality Construction Permit No. 06-A-449,

for air pollution control equipment consisting of a baghouse for the facility's electric arc furnace and canopy area, designated EP 9B.

31. Permit Condition No. 7, Excess Emissions, provides that an incident of excess emissions, other than during a period of startup, shutdown, or cleaning of control equipment when accomplished expeditiously and in a manner consistent with good practice for minimizing emissions, constitutes a violation.

32. Permit Condition No. 10, Emission Limits, provides that emissions shall be limited to no more than 0.005 gr/dscf of federal particulate matter.

33. Permit Condition No. 12, Initial Performance Testing Requirements, provides that the owner shall conduct tests with the equipment operating in a manner representative of maximum rated capacity to verify compliance with the emission limitations contained in Permit Condition No. 10.

34. On July 24, 2006, Matrix Metals performed stack tests, consisting of three runs, to determine the average concentration and emission rates of PM<sub>10</sub> for EP 9B.

35. The stack test results for the three runs were 0.0065, 0.0066, and 0.0049 gr/dscf of PM<sub>10</sub>, respectively, for an average emission rate of 0.006 gr/dscf of PM<sub>10</sub>.

36. The facility equipment served by EP 9B had a maximum rated capacity of 12 tons of processed material per hour. At the time of the stack tests, the equipment was processing at an average rate of 9.2 tons/hour, which constitutes approximately 76.7% of its maximum rated capacity.

37. On September 27, 2006, the DNR issued Matrix Metals a Notice of Violation which inter alia advised that the stack test was not performed at maximum rated capacity for EP 9B. The DNR directed Matrix Metals to either re-test at a higher throughput or take additional

operating limits by October 20, 2006.

38. On December 19, 2006, the DNR issued a letter to Matrix Metals that they had not yet received a sufficient response to their September 27, 2006 Notice of Violation.

39. On June 12, 2007, Matrix Metals performed stack tests, consisting of three runs to determine the average concentration and emission rates of  $PM_{10}$  for EP 9B.

40. The stack test results for the three runs were 0.0100, 0.0136, and 0.0083 gr/dscf of  $PM_{10}$ , respectively, for an average emission rate of 0.009 gr/dscf of  $PM_{10}$ .

41. On August 3, 2007, the DNR issued Matrix Metals a Notice of Violation which inter alia advised that the  $PM_{10}$  emission limit was being exceeded.

42. On September 11, 2007, Matrix Metals performed stack tests, consisting of three runs to determine the average concentration and emission rates of  $PM_{10}$  for EP 9B.

43. The stack test results for the three runs were 0.0060, 0.0054, and 0.0065 gr/dscf of  $PM_{10}$ , respectively, for an average emission rate of 0.0053 gr/dscf of  $PM_{10}$ .

44. On October 19, 2007, Matrix Metals performed stack tests, consisting of three runs to determine the average concentration and emission rates of  $PM_{10}$  for EP 9B.

45. The stack test results for the three runs were 0.001, 0.001, and 0.001 of gr/dscf of  $PM_{10}$ , respectively, for an average emission rate of 0.001 gr/dscf of  $PM_{10}$ .

46. Matrix Metals continued to operate EP 9B but failed to retest to insure compliance with  $PM_{10}$  emission limit until October 19, 2007.

#### Emission Point 10A (EP 10A)

47. On July 13, 2004, the DNR issued Air Quality Construction Permit No. 01-A-228-S2, for the facility's mold making, ladle preheat, pouring, cooling, and burn rail equipment, all designated EP 10A.



48. Permit Condition No. 7, Excess Emissions, provides that an incident of excess emissions, other than during a period of startup, shutdown, or cleaning of control equipment when accomplished expeditiously and in a manner consistent with good practice for minimizing emissions, constitutes a violation.

49. Permit Condition No. 10, Emission Limits, provided that emissions shall be limited to no more than 0.73 lbs/hour of PM<sub>10</sub>.

50. Permit Condition No. 12, Initial Performance Testing Requirements, provides that the owner shall conduct tests with the equipment operating in a manner representative of maximum rated capacity to verify compliance with the emission limitations contained in Permit Condition No. 10.

51. On July 18, 2006, Matrix Metals performed stack tests, consisting of three runs, to determine the average concentration and emission rates of PM<sub>10</sub> for EP 10A.

52. The stack test results for the three runs were 0.72, 0.78, and 0.94 lbs/hour of PM<sub>10</sub>, respectively, for an average emission rate of 0.81 lbs/hour of PM<sub>10</sub>.

53. On September 27, 2006, the DNR issued Matrix Metals a Notice of Violation which inter alia advised that the PM<sub>10</sub> emission limit was being exceeded. The DNR directed Matrix Metals to submit a compliance plan by October 20, 2006.

54. On December 19, 2006, the DNR issued a letter to Matrix Metals that they had not yet received a sufficient compliance plan in response to their September 27, 2006 Notice of Violation.

55. On June 5 and 6, 2007, Matrix Metals performed stack tests, consisting of three runs to determine the average concentration and emission rates of PM<sub>10</sub> for EP 10A.

56. The stack test results for the three runs were 0.99, 0.95, and 1.36 lbs/hour of

PM<sub>10</sub>, respectively, for an average emission rate of 1.099 lbs/hour of PM<sub>10</sub>.

57. The facility equipment served by EP 10A had a maximum rated capacity of 48 tons of processed material per hour. At the time of the June 5 and 6 stack tests, the equipment was processing at an average rate of 37.58 tons/hour, which constitutes approximately 78.3% of its maximum rated capacity.

58. On August 3, 2007, the DNR issued Matrix Metals a Notice of Violation which inter alia advised that the PM<sub>10</sub> emission limit was being exceeded.

59. Matrix Metals continued to operate EP 10A but failed to retest to insure compliance with the PM<sub>10</sub> emission limit. Instead, on April 10, 2008, Matrix Metals filed an application to modify their permit.

60. After receipt of modeling demonstrating that there would be no exceedance of national ambient air quality standards (NAAQS), on June 23, 2008, the DNR issued Air Quality Construction Permit No. 08-A-329, which raised the PM<sub>10</sub> emission limit to 2.38 lbs/hour.

#### Emission Point 10B (EP 10B)

61. On July 13, 2004, the DNR issued Air Quality Construction Permit No. 01-A-229-S2, for the facility's mold making, ladle preheat, pouring, cooling, and burn rail equipment, all designated EP 10B.

62. Permit Condition No. 7, Excess Emissions, provides that an incident of excess emissions, other than during a period of startup, shutdown, or cleaning of control equipment when accomplished expeditiously and in a manner consistent with good practice for minimizing emissions, constitutes a violation.

63. Permit Condition No. 10, Emission Limits, provided that emissions shall be limited to no more than 0.73 lbs/hour of PM<sub>10</sub>.

64. Permit Condition No. 12, Initial Performance Testing Requirements, provides that the owner shall conduct tests with the equipment operating in a manner representative of maximum rated capacity to verify compliance with the emission limitations contained in Permit Condition No. 10.

65. On July 20, 2006, Matrix Metals conducted stack tests, consisting of three runs, to determine the average concentration and emission rates of PM<sub>10</sub> for EP 10B.

66. The stack test results for the three runs were 1.12, 0.97, and 1.20 lbs/hour of PM<sub>10</sub>, respectively, for an average emission rate of 1.10 lbs/hour of PM<sub>10</sub>.

67. On September 27, 2006, the DNR issued Matrix Metals a Notice of Violation which inter alia advised that the PM<sub>10</sub> emission limit was being exceeded. The DNR directed Matrix Metals to submit a compliance plan by October 20, 2006.

68. On December 19, 2006, the DNR issued a letter to Matrix Metals that they had not yet received a sufficient compliance plan in response to their September 27, 2006 Notice of Violation.

69. On June 6 and 7, 2007, Matrix Metals conducted stack tests, consisting of three runs, to determine the average concentration and emission rates of PM<sub>10</sub> for EP 10B.

70. The stack test results for the three runs were 1.12, 0.73, and 1.31 lbs/hour of PM<sub>10</sub>, respectively, for an average emission rate of 1.05 lbs/hour of PM<sub>10</sub>.

71. The facility equipment served by EP 10B had a maximum rated capacity of 48 tons of processed material per hour. At the time of the June 6 and 7 stack tests, the equipment was processing at an average rate of 38.75 tons/hour, which constitutes approximately 80.7% of its maximum rated capacity.

72. On August 3, 2007, the DNR issued Matrix Metals a Notice of Violation which inter alia advised that the PM<sub>10</sub> emission limit was being exceeded.

73. Matrix Metals continued to operate EP 10B but failed to retest to insure compliance with the PM<sub>10</sub> emission limit. Instead, on April 10, 2008, Matrix Metals filed an application to modify their permit.

74. After receipt of modeling demonstrating that there would be no exceedance of national ambient air quality standards (NAAQS), on June 23, 2008, the DNR issued Air Quality Construction Permit No. 08-A-329, which raised the PM<sub>10</sub> emission limit to 2.38 lbs/hour.

Emission Point 12 (EP 12)

75. On March 15, 2005, the DNR issued Air Quality Construction Permit No. 76-A-098-S5, for air pollution control equipment consisting of a baghouse for the facility's shakeout, conveyor aspirator, conditioner and turntable blast equipment, designated EP 12.

76. Permit Condition No. 10, Emission Limits, provided that emissions shall be limited to no more than 1.42 lbs/hour of PM<sub>10</sub>.

77. Permit Condition No. 12, Initial Performance Testing Requirements, provides that the owner shall conduct tests with the equipment operating in a manner representative of maximum rated capacity to verify compliance with the emission limitations contained in Permit Condition No. 10.

78. On July 25, 2006, Matrix Metals performed stack tests, consisting of three runs, to determine the average concentration and emission rates of PM<sub>10</sub> for EP 12.

79. The stack test results for the three runs were 0.46, 0.58, and 0.67 lbs/hour of PM<sub>10</sub>, respectively, for an average emission rate of 0.57 lbs/hour of PM<sub>10</sub>.

80. The facility equipment served by EP 12 had a maximum rated capacity of 21,000 pounds of processed material per hour. At the time of the stack tests, the equipment was processing at an average rate of 12,267 lbs/hour, which constitutes approximately 58.4% of its maximum rated capacity.

81. On September 27, 2006, the DNR issued Matrix Metals a Notice of Violation which inter alia advised that the stack test was not performed at maximum rated capacity for EP 12. The DNR directed Matrix Metals to either re-test at a higher throughput or take additional operating limits by October 20, 2006.

82. On December 19, 2006, the DNR issued a letter to Matrix Metals that they had not yet received a sufficient response to their September 27, 2006 Notice of Violation.

83. Matrix Metals continued to operate EP 12 but failed to retest at its maximum rated capacity until January 28 and 29, 2008, when Matrix Metals performed stack tests, consisting of three runs, to determine the average concentration and emission rates of PM<sub>10</sub> for EP 12.

84. The stack test results for the three runs were 0.38, 0.28, and 0.32 lbs/hour of PM<sub>10</sub>, respectively, for an average emission rate of 0.33 lbs/hour of PM<sub>10</sub>.

#### Emission Point 15 (EP 15)

85. On September 15, 2004, the DNR issued Air Quality Construction Permit No. 76-A-099-S1, for air pollution control equipment consisting of a baghouse for the facility's rotoblast barrel, designated EP 15.

86. Permit Condition No. 7, Excess Emissions, provides that an incident of excess emissions, other than during a period of startup, shutdown, or cleaning of control equipment when accomplished expeditiously and in a manner consistent with good practice for minimizing

emissions, constitutes a violation.

87. Permit Condition No. 10, Emission Limits, provided that emissions shall be limited to no more than 0.508 lbs/hour of PM<sub>10</sub>.

88. On July 24, 2006, Matrix Metals performed stack tests, consisting of three runs, to determine the average concentration and emission rates of PM<sub>10</sub> for EP 15.

89. The stack test results for the three runs were 0.69, 1.49, and 1.66 lbs/hour of PM<sub>10</sub>, respectively, for an average emission rate of 1.28 lbs/hour of PM<sub>10</sub>.

90. On September 27, 2006, the DNR issued Matrix Metals a Notice of Violation which inter alia advised that the PM<sub>10</sub> emission limit was being exceeded. The DNR directed Matrix Metals to submit a compliance plan by October 20, 2006.

91. On December 19, 2006, the DNR issued a letter to Matrix Metals that they had not yet received a sufficient compliance plan in response to their September 27, 2006 Notice of Violation.

92. On June 4 and 7, 2007, Matrix Metals conducted stack tests, consisting of three runs, to determine the average concentration and emission rates of PM<sub>10</sub> for EP 15.

93. The stack test results for the three runs were 0.25, 1.27, and 0.25 lbs/hour of PM<sub>10</sub>, respectively, for an average emission rate of 0.59 lbs/hour of PM<sub>10</sub>.

94. On August 3, 2007, the DNR issued Matrix Metals a Notice of Violation which inter alia advised that the PM<sub>10</sub> emission limit was being exceeded.

95. On September 11, 2007, Matrix Metals performed stack tests, consisting of three runs, to determine the average concentration and emission rates for PM<sub>10</sub> for EP 15.

96. The stack test results for the three runs were 0.0084, 0.0076, and 0.0097 gr/dscf, respectively, for an average emission rate of 0.009 gr/dscf of PM<sub>10</sub>.

97. Matrix Metals continued to operate EP 15 but failed to retest to insure compliance with PM<sub>10</sub> emission limit until September 11, 2007.

Emission Point 17 (EP 17)

98. On November 19, 2004, the DNR issued Air Quality Construction Permit No. 01-A-181-S3, for air pollution control equipment consisting of a baghouse for the facility's seven quick arc booths, designated EP 17.

99. Permit Condition No. 7, Excess Emissions, provides that an incident of excess emissions, other than during a period of startup, shutdown, or cleaning of control equipment when accomplished expeditiously and in a manner consistent with good practice for minimizing emissions, constitutes a violation.

100. Permit Condition No. 10, Emission Limits, provided that emissions shall be limited to no more than 0.37 lbs/hour of PM<sub>10</sub>.

101. Permit Condition No. 12, Initial Performance Testing Requirements, provides that the owner shall conduct tests with the equipment operating in a manner representative of maximum rated capacity to verify compliance with the emission limitations contained in Permit Condition No. 10.

102. On July 19, 2006, Matrix Metals performed stack tests, consisting of three runs, to determine the average concentration and emission rates of PM<sub>10</sub> for EP 17.

103. The stack test results for the three runs were 0.29, 0.26, and 0.23 lbs/hour of PM<sub>10</sub>, respectively, for an average emission rate of 0.26 lbs/hour of PM<sub>10</sub>.

104. The facility equipment served by EP 17 had a maximum rated capacity of 16.23 pounds of processed material per hour. At the time of the stack tests, the equipment was

processing at an average rate of 6.7 lbs/hour, which constitutes approximately 41.7% of its maximum rated capacity.

105. On September 27, 2006, the DNR issued Matrix Metals a Notice of Violation which inter alia advised that the stack test was not performed at maximum rated capacity for EP 17. The DNR directed Matrix Metals to either re-test at a higher throughput or take additional operating limits by October 20, 2006.

106. On December 19, 2006, the DNR issued a letter to Matrix Metals that they had not yet received a sufficient response to their September 27, 2006 Notice of Violation.

107. On January 29 and 30, 2008, Matrix Metals performed stack tests, consisting of three runs, to determine the average concentration and emission rates of PM<sub>10</sub> for EP 17.

108. The stack test results for the three runs were 0.46, 0.54, and 0.47 lbs/hour of PM<sub>10</sub>, respectively, for an average emission rate of 0.49 lbs/hour of PM<sub>10</sub>.

109. On February 17, 2009, the DNR issued Matrix Metals a Notice of Violation which advised that the PM<sub>10</sub> emission limit was being exceeded. It also advised that Matrix Metals had not conducted another stack test to demonstrate compliance with the PM<sub>10</sub> emission limits but had submitted permit applications on December 29, 2008, to raise the PM<sub>10</sub> limit for EP 17, which the DNR was currently reviewing.

110. After receipt of modeling demonstrating that there would be no exceedance of national ambient air quality standards (NAAQS), on March 31, 2009, the DNR issued Air Quality Construction Permit No. 01-A-181-S5, which raised the PM<sub>10</sub> emission limit to 0.79 lbs/hour.

#### Title V Operating Permit

111. Matrix Metals is a "major source," as defined in 567 Iowa Admin. Code 22.100,



subject to Title V operating permit requirements pursuant to 567 Iowa Admin. Code

22.101(1)(b).

112. On August 4, 2004, the DNR issued a Title V Operating Permit No. 04-TV-012-M001 (operating permit) to Matrix Metals under the authority of Iowa Code § 455B.133(8) and in accordance with 567 Iowa Admin. Code 22.

113. Subsection III of the operating permit provides that Matrix Metals must comply with certain periodic monitoring requirements, including Agency and Facility Operation and Maintenance Plans for various emission points.

114. The Agency Operation and Maintenance Plans within Matrix Metals' operating permit require various temporal emission monitoring provisions, including weekly, monthly, quarterly, and semiannual monitoring. The Agency plans also include a requirement that the facility make a commitment to take timely corrective action in the event that monitoring illustrates periods of excursions where the indicators are out of range.

115. The Facility Operation and Maintenance Plans within Matrix Metals' operating permit require that within six (6) months of issuance of the operating permit, the facility creates a plan to retain monitoring data for at least five (5) years on site and ensure documentation of the facility's implementation of its obligation to operate according to good air pollution control practice.

116. Subsection IV: G5 of the operating permit provides that by March 31 and September 30 of each year, the permittee shall submit a report of any monitoring required under this permit for the six-month periods of January 1 to June 30 and July 1 to December 31, respectively.

117. On February 1, 2006, the DNR conducted an inspection of Matrix Metal's facility and discovered that Matrix Metals failed to document the inspections required by the Agency Operation and Maintenance Plans for the following emission points: New Sand Tank (EP 1), Isocure Core Making (EP 5), Electric Arc Furnace and Canopy Area (EP 9B), and Small Shakeout, Sand Transfer, Sand Conditioner, and Table Blast (EP 12).

118. The inspection also revealed that Matrix Metals failed to have the Facility Operation and Maintenance Plans for the following emission points: Sand Reclaim System (EP 3), Rotoblast Barrel (EP 15), KWIC Arc Booths (EP 17), 2 Walk-In Blasts and Tumblers (EP 19), Weld Repair, Walk-In Blast, Casting Welding (EP 25), Core Spray Booths (EP 29), Mold Pouring, Mold Cooling, Mold Shakeout, Induction Furnace (EP 33), Sand Tank #2 (EP 34), and Tumble Blast (EP SCC01).

119. On February 6, 2006, the DNR issued Matrix Metals a Notice of Violation for the record-keeping violations observed during the February 1, 2006 inspection. The DNR directed Matrix Metals to outline what the Facility Operation and Maintenance Plans will monitor by March 24, 2006, and comply with the Agency and Facility Operation and Maintenance Plans by May 12, 2006.

120. On March 27, 2006, Matrix Metals emailed the DNR and stated that it intended to mimic the Facility and Agency Operation and Maintenance Plans already in existence in order to comply with the DNR's directive.

121. On October 19, 2006, the DNR issued Matrix Metals a Notice of Violation for failing to submit the Semi-Annual Monitoring Report by the September 30, 2006 deadline. The DNR required that Matrix Metals submit the report by November 15, 2006.

122. On November 11, 2006, Matrix Metals submitted the Semi-Annual Monitoring Report to the DNR.

123. On July 24, 2007, the DNR conducted a follow up inspection to evaluate compliance with the requirement to have Agency and Facility Operation and Maintenance Plans in effect for various emission points. During the inspection, the DNR observed that Matrix Metals had developed the Facility Operation and Maintenance Plans for the required emission points and had begun employing the Agency Operation and Maintenance Plans.

Iron and Steel Foundry Maximum Achievable  
Control Technology (Foundry MACT)

124. Matrix Metals is an iron and steel foundry and a "major source," as defined in 567 Iowa Admin. Code 22.100, subject to the Foundry MACT pursuant to 40 C.F.R. § 63.7681.

125. Subsection II of the Title V permit states that Matrix Metals is subject to the National Emission Standards for Iron and Steel Foundries under 40 Code of Federal Regulations 63, Subpart EEEEE.

126. Matrix Metals failed to comply with the Foundry MACT scrap handling and inspection work practice standard by April 22, 2005.

127. Matrix Metals did not submit the Foundry MACT scrap handling and inspection plan to the DNR until October 13, 2008. On November 10, 2008, the DNR responded to Matrix Metals and determined that the scrap handling and inspection plan was deficient. The DNR requested Matrix Metals provide more information about the plan and make several improvements to the plan. On December 18, 2008, Matrix Metals responded to the DNR and provided the required information and made the requested improvements to the scrap handling and inspection plan.

128. Matrix Metals failed to comply with each Foundry MACT emission limitation, work practice standard, and operation and maintenance standard by April 23, 2007.

129. In a December 18, 2008 letter to the DNR, Defendant Matrix Metals informed the DNR that the facility began keeping records of bag leak detection equipment inspections.

### **Violations**

#### **Excess Emissions**

130. From June 12, 2007, through October 19, 2007, Defendant Matrix Metals emitted PM<sub>10</sub> in excess of applicable permit emission limits for EP 9B in violation of 40 C.F.R. § 63.7690(a)(1)(i), Air Quality Construction Permit No. 06-A-449, Condition No. 10, and 567 Iowa Admin. Code 23.1(4) and 24.1(4).

131. From July 18, 2006, through June 23, 2008, Defendant Matrix Metals emitted PM<sub>10</sub> in excess of applicable permit emission limits for EP 10A in violation of Air Quality Construction Permit No. 01-A-228, Condition No. 10, and 567 Iowa Admin. Code 24.1(4).

132. From July 20, 2006, through June 23, 2008, Defendant Matrix Metals emitted PM<sub>10</sub> in excess of applicable permit emission limits for EP 10B in violation of Air Quality Construction Permit No. 01-A-229, Condition No. 10, and 567 Iowa Admin. Code 24.1(4).

133. From July 24, 2006, through September 11, 2007, Defendant Matrix Metals emitted PM<sub>10</sub> in excess of applicable permit emission limits for EP 15 in violation of Air Quality Construction Permit No. 76-A-099-S1, Condition No. 10, and 567 Iowa Admin. Code 24.1(4).

134. From January 30, 2008, through March 31, 2009, Defendant Matrix Metals emitted PM<sub>10</sub> in excess of applicable permit emission limits for EP 17 in violation of Air Quality Construction Permit No. 01-A-181-S3, Condition No. 10, and 567 Iowa Admin. Code 24.1(4).

### Stack Testing Violations

135. On July 14, 2006, Defendant Matrix Metals failed to conduct stack testing for EP 9B at the maximum rated capacity to insure compliance with applicable emission limits in violation of Air Quality Construction Permit No. 06-A-449, Condition No. 12.

136. On June 5 and 6, 2007, Defendant Matrix Metals failed to conduct stack testing for EP 10A at the maximum rated capacity to insure compliance with applicable emission limits in violation of Air Quality Construction Permit No. 01-A-228, Condition No. 12.

137. On June 6 and 7, 2007, Defendant Matrix Metals failed to conduct stack testing for EP 10B at the maximum rated capacity to insure compliance with applicable emission limits in violation of Air Quality Construction Permit No. 01-A-229, Condition No. 12.

138. On July 25, 2006, Defendant Matrix Metals failed to conduct stack testing for EP 12 at the maximum rated capacity to insure compliance with applicable emission limits in violation of Air Quality Construction Permit No. 76-A-098-S1, Condition No. 12.

139. On July 19, 2006, Defendant Matrix Metals failed to conduct stack testing for EP 17 at the maximum rated capacity to insure compliance with applicable emission limits in violation of Air Quality Construction Permit No. 01-A-181-S3, Condition No. 12.

### Title V Operating Permit Violations

140. From February 1, 2006, through July 24, 2007, Defendant Matrix Metals failed to comply with the requirements for the Agency Operation and Maintenance Plans in violation of Title V Operating Permit No. 04-TV-012-M001.

141. From February 1, 2006, through July 24, 2007, Defendant Matrix Metals failed to comply with the requirements for the Facility Operation and Maintenance Plans in violation of Title V Operating Permit No. 04-TV-012-M001.

142. From September 30, 2006, through November 11, 2006, Defendant Matrix Metals failed to submit the Semi-Annual Monitoring Report for the period of January 1, 2006, through June 30, 2006, in violation of Title V Operating Permit No. 04-TV-012-M001.

Iron and Steel Foundry Maximum Achievable  
Control Technology (Foundry MACT) Violations

143. From April 22, 2005, through December 18, 2008, Defendant Matrix Metals failed to submit the Foundry MACT scrap handling and inspection plan to the DNR, in violation of Title V Operating Permit No. 04-TV-012-M001, 567 Iowa Admin. Code 23.1(4), and 40 C.F.R. §§ 63.7683(b) and 63.7735(b)(1).

144. From April 22, 2007, through December 18, 2008, Defendant Matrix Metals failed to comply with the Foundry MACT operation and maintenance standard that a facility record all information needed to demonstrate conformance with the site-specific monitoring plan, required by 40 C.F.R. § 63.7710(b)(4), for each bag leak detection system, in violation of Title V Operating Permit No. 04-TV-012-M001, 567 Iowa Admin. Code 23.1(4), and 40 C.F.R. §§ 63.7683(a) and 63.7745(a)(3).

**Prayer for Relief**

WHEREFORE, Plaintiff State of Iowa, ex rel., Iowa Department of Natural Resources requests that the Court:

- a. assess a civil penalty against Defendant Matrix Metals LLC, d/b/a Keokuk Steel Castings Co., f/k/a Keokuk Steel Castings Co., Inc., pursuant to Iowa Code section 455B.146 for each day of violation of Conditions 10 and 12 of Air Quality Construction Permit Nos. 06-A-449, 01-A-228-S2, 01-A-229-S2, 76-A-098-S5, 76-A-099-S1, and 01-A-181-S3; Title V Operating Permit No. 04-TV-012-M001; 567 Iowa Admin. Code 23.1(4) and 24.1(4); and 40 C.F.R. §§ 63.7683(a)-(b), 63.7690(a)(1)(i), 63.7735(b)(1), and 63.7745(a)(3), not to exceed Ten Thousand Dollars (\$10,000.00) for each day of each such violation, and

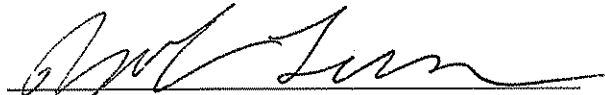
- b. issue a permanent injunction enjoining Defendant Matrix Metals LLC, d/b/a Keokuk Steel Castings Co., f/k/a Keokuk Steel Castings Co., Inc., from any further violations of Air Quality Construction Permit Nos. 06-A-449-S2, 08-A-329, 76-A-098-S6, 76-A-099-S2, and 01-A-181-S5; Title V Operating Permit No. 04-TV-012-M001; 567 Iowa Admin. Code 23.1(4) and 24.1(4); and 40 C.F.R. §§ 63.7683(a)-(b), 63.7690(a)(1)(i), 63.7735(b)(1), and 63.7745(a)(3).

Plaintiff further requests that the Court tax the costs of this action to the Defendant and provide such other relief as the Court may deem just and proper.

Respectfully Submitted,

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